U. S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C.

Alkali and Drought
Resistant Plant
Investigations

January 6, 1925.

EGYPTIAN COTTON NEWS LETTER
(Not for publication)

The information contained in this News Letter is drawn mainly from newspapers and trade journals, the published source of the information being given in every case. The object of the letter is to furnish information to officials and cooperators of the Department of Agriculture in regard to the condition of the market for long staple cotton. The Department assumes no responsibility for the accuracy and reliability of these quoted statements, and under no circumstances should they be republished as having been issued by the Department of Agriculture.

LONG STAPLE COTTON MARKET CONDITIONS

The New Bedford Standard of January 4 states as follows:

"Hesitation developed this week among the New England buyers of extra staple cottons, and though there was a very firm undertone to the local market, due to the unusually small volume of offerings from the South, the actual trading was less than almost any week since Thanksgiving. Sales were confined mostly to the limited offerings of cotton owned by mills or by northern cotton merchants, or rejections which it was desired to move quickly. These were usually available at slightly under the full normal market levels, and found a ready market, being apparently sufficient to fill the immediate needs of the mills.

"Although many manufacturers are growing somewhat nervous about the supply of extra staple for the last half of the cotton season, and are trying to lay in some reserve, they lack confidence in the present wide basis quoted on extra staples, and are unwilling to purchase at the present prices any more than they actually need to cover the goods orders in hand.

Statement relative to long staple cotton market cont'd.

The rapid rise in staple prices has given rise to fears for the character of many of the forward deliveries. Some mill men, according to their records, have practically all of their raw material requirements up to next summer already provided for by actual purchases, but do not know whether or not they will really get the cotton they have bought.

"The movement of cotton into this section has been very heavy and financing facilities are feeling the strain to a very marked degree, since greater recourse than ever has been had to borrowed money.

* * *

"Buying of extra staples this week has been done fully as much by merchant firms as by mills, and there has also been some covering in of short positions on some of the shorter length of types. There has been a strong and continued demand for the very long staple peeler cotton, and there seems little doubt that the supply of this is entirely inadequate for the present demand. High grade inch and five-sixteenths and inch and three-eighths cotton has been sold this week in New England for prices above 40 cents, and there is a very persistent demand for Sea Island, Meade, or Pima at anything under 50 cents.

"Interest in Egyptian is very keen, but the extremely high prices are keeping buyers out of the market just as long as they are able to postpone action. There were small-lot sales of high grade Sakel this week at 64 and 65 cents and medium grade Sakel was being generally quoted at 59 and 60 cents. *** Low grade Sakel on the spot changed hands at 50 to 52 cents and there is a strong demand for more, or for low grade Pima around the same prices. In fact, the demand for Pima is strong enough to result in business if cotton above number four in grade could be had on a basis of less than 60 cents, landed in the East. The fact is, however, that it is practically impossible to get any offered under 65 cents, and some are talking as much as 70 cents.

"It seems now fairly well established that the Arizona farmers are going back to Pima cotton growing this year, and expect to raise at least 35,000 bales this year. Certain interests are already sounding out New England manufacturers with a view to placing orders now for No. 2 Pima out of the 1925 crop around 45 cents.

Statement relative to long staple cotton market cont'd.

"Current quotations on extra staple cottons classed as to staple on a very high and exacting standard of stapling are given herewith as indicative of the local market, though the volume of cotton offering at these levels is not unlimited:

Inch and an eighth, 31-1/4 to 31-3/4 cents.
Inch and three-sixteenths, 32-1/4 to 33 cents.
Inch and a quarter, 33-1/2 to 34-1/2 cents.
Inch and five-sixteenths, 35-3/4 to 37-1/2 cents."

STOCKS AT ALEXANDRIA, EGYPT

(from Commercial and Financial Chronicles of December 27 and January 3, respectively)

The stocks on December 26, 1924, and January 2, 1925, and on the corresponding dates of the two preceding years were as follows (Egyptian bales, average weight 750 pounds):

	1924	1923	1922
December 26	273,000 bales	287,000 bales	343,000 bales
	1925	1924	1923
January 2	261,000 bales	300,000 bales	344,000 bales

LIVERPOOL PRICES OF EGYPTIAN AND UPLAND COTTON ON DECEMBER 26 AND JANUARY 2.

(from Commercial and Financial Chronicles of December 27 and January 3, respectively)

	1924 (pence) 1/	1925 (pence)	1923 (pence)	1924 (pence)	1922 (pence)	1923 (pence)
	Dec. 26	Jan. 2	Dec. 26	Jan. 2	Dec. 26	Jan. 2
Good Sakel	30.85	31.65	25.00	24.30	19.30	19.00
Middling Uplands	13.24	13.57	20.62	19.93	15.16	15.06

1/ These prices correspond to prices at Liverpool on December 26 of 60.5 cents for Good Sakel and 25.9 cents for Middling Uplands; and on January 2 of 62.6 cents for Good Sakel and 26.8 cents for Middling Uplands, the pound sterling having been quoted at New York for cable transfer at $4.707 on December 26 and $4.749 on January 2.

MIDDLING QUOTATIONS AT SAVANNAH

The Commercial and Financial Chronicle reports the range of daily closing quotations for Middling Upland cotton on the Savannah market for the weeks ending December 26 and January 2, as follows:

Week ending December 26 - 23.63 to 24.18

" " January 2 - 24.05 to 24.82

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U. S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C.

Alkali and Drought
Resistant Plant
Investigations

January 14, 1925.

EGYPTIAN COTTON NEWS LETTER
(Not for publication)

The information contained in this News Letter is drawn mainly from newspapers and trade journals, the published source of the information being given in every case. The object of the letter is to furnish information to officials and cooperators of the Department of Agriculture in regard to the condition of the market for long staple cotton. The Department assumes no responsibility for the accuracy and reliability of these quoted statements, and under no circumstances should they be republished as having been issued by the Department of Agriculture.

LONG STAPLE COTTON MARKET CONDITIONS

The New Bedford Standard of January 11 states as follows:

"Demand for extra staple cotton continued during the past week throughout New England markets, but the volume of trading slackened considerably, owing to the rapidly advancing prices. The reluctance of offerings at this time of the year is something which is entirely unusual and has mystified a great many large staple cotton consumers who still have in mind the large surplus of extra staple cotton which was carried over from last season. The complete absence of any selling pressure and the refusal of many of the larger houses to offer some of the most common staple types has convinced many men that there has been very rapid absorption of staple cotton since September, and that a real shortage is threatening.

"Price quotations have advanced one to three cents a pound during the past week, and many of the large cotton merchant firms are now predicting 50 cent cotton before the spring months arrive. Certain of the New England mills have bought rather heavily against probable future requirements and some have at least

Statement relative to long staple cotton market cont'd.

two-thirds of their entire season's cotton needs already purchased. Other mills have half of their needs covered in and are continuing steadily to buy more as fast as they sell goods, keeping their surplus raw material established a month or two ago, still intact.

* * *

"The situation on full inch and an eighth and on inch and three-sixteenths is relieved somewhat by offerings of California and Arizona Peeler cotton, which can be had about a cent lower than is quoted for extra staples out of the Delta. Carolina shipments of quarters are also helping to hold down the market on this type, in the face of a very limited supply of Delta fiber of this length.

* * *

"The interest in Egyptian, handicapped as it is by the very high prices, still continues in some quarters and fairly good grade Sakel on the spot has sold in small lots around 62 cents, while medium grade for shipment is quoted at 58 to 60 cents. Medium grade uppers are quoted at 37 to 39 cents, but have not been particularly active, owing to their being fully five cents out of line with their normal parity with American Peelers.

"There have been quotations of 62 cents for No. 2 Pima cotton for prompt shipment and offers of October-November shipment 1925 cotton, No. 2 grade Pima at 45 cents. Not much dealing is reported, however. Extra choice West Indian Sea Island is offered in certain quarters at 75 cents, while Peruvian mitaffi, medium to good grade, is priced around 45 cents landed. Average strict middling Tangris, also from Peru, is quoted at 1100 on May, landed c.i.f., but none of these offerings have been on a large quantity basis and there has been little or no actual dealing.

"Current flat price quotations on middling extra staple cotton classed as to staple on a high and very exacting standard of stapling are given herewith as indicative of the general market hereabouts on quantities of upwards of 100 bales:

Inch and an eighth, 31 to 31-3/4 cents.
Inch and three-sixteenths, 32 to 33 cents.
Inch and a quarter, 34 to 36 cents.
Inch and five-sixteenths, 38 to 40 cents and up."

STOCKS AT ALEXANDRIA, EGYPT
(from Commercial and Financial Chronicle of Jan. 10)

The stocks on January 9 of this year and of the two preceding years were as follows (Egyptian bales, average weight 750 pounds):

1925	1924	1923
256,000 bales	292,000 bales	335,000 bales

LIVERPOOL PRICES OF EGYPTIAN AND UPLAND COTTON ON JAN. 9.
(from Commercial and Financial Chronicle of Jan. 10)

	1925 (pence) 1/	1924 (pence)	1923 (pence)
Good Sakel	31.70	23.80	19.00
Middling Uplands	13.03	19.32	15.60

1/ These prices correspond to prices at Liverpool on Jan. 9 of 63.2 cents for Good Sakel and 26 cents for Middling Uplands, the pound sterling having been quoted at New York for cable transfer at $4.792 on Jan. 9.

MIDDLING QUOTATIONS AT SAVANNAH

The Commercial and Financial Chronicle reports the range of daily closing quotations for Middling Upland cotton on the Savannah market for the week ending Jan. 9, as follows: 23.63 to 24.13

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U. S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C.

Alkali and Drought
Resistant Plant
Investigations

January 21, 1925.

EGYPTIAN COTTON NEWS LETTER
(Not for publication)

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LONG STAPLE COTTON MARKET CONDITIONS

The New Bedford Standard of January 18 states as follows:

"Strike rumblings in New Bedford and Fall River served to throw a wet blanket on the demand for cotton in these two centers during the past week and as a result the New England extra staple market was not so active during the past week, though there seemed to be a very strong undercurrent of interest from the manufacturers, and some rather sizable buying in certain quarters.

"Prices remained very stiff indeed, and in some types there was an even further advance from the previous week's levels. The extra staple markets have now definitely cut loose from the New York and Liverpool future markets and no attempt is made to follow the ups and downs of these quotations. Almost all the extra staple houses are now quoting on a flat price, only, and these prices are fully as high as a week ago, and in not a few cases, even higher, despite the fact that the future markets have eased off a half cent.

Statement relative to long staple cotton market cont'd.

"It is practically impossible now to buy sizable even-running lots of extra staple cottons out of the Delta without paying the prices quoted by the Staple Cotton Growers Association of Greenwood. There have been a few odd lots available here and there at slightly lower figures, but the quantity is very limited indeed and the character apt to be doubtful. In fact some of the largest shipping organizations are in the New England market as buyers at levels only a little below the association quotations. It is still possible, in certain parts of Arkansas and the Delta, to buy crop lots including some staples and some short cotton of various grades, but in order to sell this to the mills it is necessary, of course, to merchandise the cotton, classing it out and offering it in even-running lots.

"Carolina cottons of extra staple length are available at slightly lower figures than are quoted for Delta staples, and it is also possible to buy Arizona and California cotton of inch and an eighth and inch and three-sixteenths staple for a cent to cent and a half less than is quoted for Delta staples of equal length. A rather thriving business in these far-western Peelers is reported in some quarters, though some mills do not take kindly to the character.

* * *

"There is a good demand for spot Egyptian in small lots, either in medium grade or in fairly high grades, and prices range from 56-1/2 for medium grade tire yarn cotton up to 62 and 64 cents for fairly high grade Egyptian on the spot. Uppers are still very stiff, being quoted at 37 to 38 cents for barely medium grade and 38 to 39 cents for a fairly good style of tire yarn cotton.

"Comparatively little inquiry is now heard on Pima, though it is even harder to buy it than it is to sell it. Many of the mills formerly using Pima have switched to some other variety of cotton, usually Sakel. Tentative quotations on No. 2 to No. 3 Pima for shipment in very limited quantities are around 62 to 64 cents.

* * *

"Current prices on middling white extra staple cottons classed as to staple on a high and very exacting standard of stapling are given herewith:

Inch and an eighth, 30-1/2 to 31-1/2 cents.
Inch and three-sixteenths, 31-1/2 to 33 cents.
Inch and a quarter, 34 to 36 cents.
Inch and five-sixteenths, 40 to 42 cents."

W. R. GRACE AND COMPANY ON PIMA COTTON.

The New Bedford Standard of January 18 states as follows:

"W. R. Grace and Company outlined the market for Pimas and foreign cottons as follows:

'Pimas: All that can be said about this variety at this time is that Arizona has lost a wonderful opportunity. Small lots of Pimas sold at 60 cents per pound, but there is very little of it left. The growers became discouraged in 1921 and followed the ill-advised policy of planting short cotton. Had they continued instead to perfect the Pima variety, the ginning, etc., Pimas would have occupied today a really important place in long staple cottons and the reward for their patience and perseverance would have been 50 cents per pound!

* * *'"

STOCKS AT ALEXANDRIA, EGYPT
(from Commercial and Financial Chronicle of Jan. 17)

The stocks on January 16 of this year and of the two preceding years were as follows (Egyptian bales, average weight 750 pounds):

1925	1924	1923
263,000 bales	267,000 bales	331,000 bales

LIVERPOOL PRICES OF EGYPTIAN AND UPLAND COTTON ON JAN. 16.

(from Commercial and Financial Chronicle of Jan. 17)

	1925 (pence) 1/	1924 (pence)	1923 (pence)
Good Sakel	31.00	23.60	19.75
Middling Uplands	13.08	18.83	16.20

1/ These prices correspond to prices at Liverpool on January 16 of 61.6 cents for Good Sakel and 26 cents for Middling Uplands, the pound sterling having been quoted at New York for cable transfer at $4.771 on Jan. 16.

MIDDLING QUOTATIONS AT SAVANNAH

The Commercial and Financial Chronicle reports the range of daily closing quotations for Middling Upland cotton on the Savannah market for the week ending Jan. 16, as follows: 23.65 to 23.95

MILL CONSUMPTION IN THE UNITED STATES OF PIMA AND IMPORTED EGYPTIAN COTTONS, DECEMBER, 1924.

The Bureau of the Census reports mill consumption of American Egyptian (Pima) cotton during the month of December as 1,297 bales of 500 pounds gross weight, compared with 1,400 bales in November and 2,260 bales in October. The mill consumption of imported Egyptian cotton is reported as having been 16,491 bales in December, compared with 10,129 bales in November and 13,979 bales in October.

EGYPTIAN COTTON IMPORTS

The Bureau of the Census reports as follows the imports from Egypt, in equivalent 500-pound bales, during the month of December and during the 5 months ending December 31, 1924, as well as the corresponding data for the preceding year.

December		:	5 months ending Dec. 31	
1924	1923	:	1924	1923
36,423	28,391	:	57,324	48,865

SAKEL STOCK IN EGYPT.

The Cotton Gazette of January 3 contains the following:

"Messrs E. Caramano & Co. write, Alexandria, December 24th:- 'According to our private information the quantity of Sakel cotton remaining either in growers' hands, or in ginning factories at the Interior, amounted on the 15th inst. to about 500,000 cantars, to this quantity we should add the unmarketed cotton existing in Alexandria which we calculate to be not more than 600,000 cantars, making a total of Sakel available for export for the balance of the season of 1,100,000 cantars, i.e., 146,000 bales. We must, however, point that a good portion, about one third of low graded, or otherwise called untenderable cotton is included in the above figures.'"

[The total available for export, as above computed, is the equivalent of 219,000 bales of 500 pounds net weight.]

U. S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C.

Alkali and Drought
Resistant Plant
Investigations

January 28, 1925.

EGYPTIAN COTTON NEWS LETTER
(Not for publication)

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LONG STAPLE COTTON MARKET CONDITIONS

The New Bedford Standard of January 25 states as follows:

"Stiffness in prices and difficulty in getting adequate offerings proved large factors during the past week in holding down the volume of trading in Eastern extra staple cotton markets. There was nothing spectacular about the mill demand, but it was steady, persistent and willing to go half-way to reach a mutually satisfactory ground on values. In certain instances, notably in spots, consumers showed a readiness to pay whatever price was asked, although in other cases there was some difficulty experienced in moving cotton priced apparently on a very attractive basis. Market prices, as a whole, advanced at least a cent on most extra staple lengths despite the decline in the future quotations.

"Practically all Eastern cotton merchants complain of the dearth of offerings of extra staples and it is very difficult indeed to get volume offerings of Peelers longer than full inch and three sixteenths. The co-operative associations have been overwhelmed with inquiries and having very little cotton to offer they have boosted prices very radically, with the rest of the market trailing along behind. ***

* * *

Statement relative to long staple cotton market cont'd.

"The shifting about of tire yarn cotton during the past few weeks has been watched with great interest in the extra staple market. It was reported this week that certain tire interests were not only selling a part of the peeler they bought a few weeks ago, but were also buying more of a somewhat similar type, while another tire concern was said to be liquidating some of its Egyptians (uppers particularly) and buying extra staple peelers. Still another tire quarter reported sizable sales of full inch and a sixteenth and Boston eighths cotton to tire interests, and the trade here is completely at sea as to just what sort of cotton is going to be favored this year for tires.

* * *

"High grade Sak ranges from 67 to 70 cents, with spots available at 66 to 68 cents according to the grade of cotton. For uppers the price range for shipment cotton medium grade is from 38-1/2 to 40 cents, while spots can be had at 37-1/2 to 38-1/2 cents, it is reported. Odd lots of number four Pima were bought this week at 56 cents, while very limited quantities of number twos were said to be available in certain quarters between 60 and 63 cents, according to the grade.

"Current quotations on middling white peeler cotton classed as to staple on a very high and exacting standard of stapling are as follows:

Inch and an eighth, 31-1/2 to 32-1/2 cents.
Inch and three sixteenths, 33 to 34 cents.
Inch and a quarter, 35 to 36-1/2 cents.
Inch and five sixteenths, 40 to 42 cents."

STOCKS AT ALEXANDRIA, EGYPT
(from Commercial and Financial Chronicle of Jan. 24)

The stocks on January 23 of this year and of the two preceding years were as follows (Egyptian bales, average weight 750 pounds):

1925	1924	1923
263,000 bales	256,000 bales	317,000 bales

LIVERPOOL PRICES OF EGYPTIAN AND UPLAND COTTON ON JAN. 23.
(from Commercial and Financial Chronicle of Jan. 24)

	1925 (pence) 1/	1924 (pence)	1923 (pence)
Good Sakel	32.75	24.05	19.75
Middling Uplands	12.87	19.31	16.32

1/ These prices correspond to prices at Liverpool on Jan. 23 of 65.5 cents for Good Sakel and 25.7 cents for Middling Uplands, the pound sterling having been quoted at New York for cable transfer at $4.803 on Jan. 23.

MIDDLING QUOTATIONS AT SAVANNAH

The Commercial and Financial Chronicle reports the range of daily closing quotations for Middling Upland cotton on the Savannah market for the week ending Jan. 23, as follows: 23.10 to 23.68

PRICE AT WHICH PIMA WOULD BE EQUALLY PROFITABLE AS UPLAND.

It is estimated that for the crop produced in 1924, Pima cotton would have averaged equally profitable as Upland cotton in the Salt River Valley if Pima had sold at an average price of 37 cents per pound with Upland selling at an average price of 25 cents per pound.

This "equivalent" price for Pima was computed by means of a formula which takes account of the following items, the values assumed for the 1924 crop being given in parentheses:

1. Average price of Upland per pound of lint (25¢).

2. Yield of lint per acre of Pima as a percentage of that of Upland (77%, the average yield of seed cotton per acre for both types having been stated as 1200 pounds which, with lint percentages as given below, would make the average lint yields 390 pounds for Upland and 300 pounds for Pima).

3. Lint percentage (32.5% for Upland, 25% for Pima).

4. Picking cost per pound seed cotton (1.5¢ for Upland, 2¢ for Pima).

5. Ginning cost per pound lint (1.23¢ for Upland, 3.2¢ for Pima).

6. Price of seed per pound (1.1¢ for both types).

7. Per cent of seed cotton deducted as dockage (3% for both types).

8. Per cent of lint paid for as bagging and ties (3.6% for Upland, 0 for Pima).

PRICE AT WHICH PIMA WOULD BE EQUALLY PROFITABLE AS UPLAND.
(Continued)

9. Interest per month per pound of lint (0.83¢ for both types).

10. Insurance per month per pound of lint (0.6¢ for both types).

11. Yardage per month per pound of lint (0.05¢ for both types).

Cost of production up to picking is assumed to have been same for both types. Ordinarily the number of months the cotton is held also should be taken into account, but during the present season Pima has sold as rapidly, if not more rapidly, than Upland, and it is assumed that cotton of both types was held on the average 1 month.

Since the actual selling price of Pima cotton of the crop of 1924 probably averaged about 49 cents f.o.b. Salt River Valley, it is obvious that Pima was much more profitable than Upland during the past season, the excess of the actual price over the "equivalent" price having averaged 12 cents per pound. This comparison applies, of course, only where the difference in yield of lint per acre of the two types approximated the average for the whole valley, that is where the Pima yield was slightly more than three-quarters of the Upland yield. But even with Pima yielding only two-thirds as much lint per acre as Upland cotton, the "equivalent" price for Pima would have been 41.3 cents, or 7.7 cents less than the average actual price. If the lint yield of Pima had been only one-half the Upland yield, the "equivalent" price for the former would become 52.7 cents, or 3.7 cents more than the average price actually obtained in 1924.

MILL CONSUMPTION OF PIMA COTTON.

(In bales of 500 pounds gross weight, as reported monthly by the Bureau of the Census)

Months	1921	1922	1923	1924
January	389	4041	5033	2958
February	835	3812	4477	2450
March	947	4154	4638	3039
April	1337	4430	3856	4318
May	1835	6663	4550	3504
June	1897	7936	3847	2979
July	2471	5919	3090	3870
August	2457	7853	2533	2855
September	2142	7775	2547	2262
October	2277	7594	2759	2260
November	2542	6689	2453	1400
December	3173	5724	2238	1297

ESTIMATED VALUE OF AMERICAN EGYPTIAN COTTON CROPS, 1918 to 1923.

(Based on prices received by the growers in Arizona and California).

Crop year	Bales produced 1/	Value of lint	Value of seed	total
1918	36,187	$ 9,793,000	$1,300,000	$11,093,000
1919	40,437	16,440,000	2,000,000	18,440,000
1920	92,561	13,275,000	1,200,000	14,475,000
1921	37,094	5,500,000	520,000	6,020,000
1922	31,199	4,994,960	638,000	5,632,960
1923	23,850	4,104,000	510,720	4,614,720

1/ The net weight of the bale is taken as 478 pounds of lint.

Similar data for the crops of 1912 to 1917, inclusive, which consisted wholly or mainly of Yuma cotton, are given in U. S. Dept. Agric. Bul. 742, p. 7. Beginning with 1918 Pima constituted the bulk or all of the crop.

For each year the number of tons of seed produced was computed from the number of pounds of lint, using the best figure available for the average lint percentage.